

## Message Text

CONFIDENTIAL

PAGE 01 STATE 026409

43

ORIGIN L-03

INFO OCT-01 AF-10 ISO-00 EB-11 COME-00 TRSE-00 CIAE-00

INR-10 NSAE-00 RSC-01 /036 R

DRAFTED BY L/AF:BKHUFFMAN:MMP

APPROVED BY AF/C:JHCOHEN

AF/C:JHDIGGS

----- 105393

P 081641Z FEB 74

FM SECSTATE WASHDC

TO AMEMBASSY TANANARIVE PRIORITY

C O N F I D E N T I A L STATE 026409

E.O. 11652: GDS

TAGS: CASC, MA

SUBJECT: AGM BANKRUPTCY SALE; REPPAS

REF: (A) TANANARIVE 125

(B) TANANARIVE 1785

1. SHOULD SALE OF AGM ASSETS OCCUR ON MARCH 19 AT OR NEAR FLOOR PRICE AMERICAN INVESTORS WOULD PROBABLY RECOVER NONE OF THEIR INVESTMENT. IN THIS EVENT WE MIGHT ANTICIPATE COMPLAINTS THAT GOMR GUILTY OF DENIAL OF JUSTICE IN REFUSING TO PERMIT AGM TO LEASE FACILITIES TO THIRD PARTY ALLEGEDLY ENABLING ALL INVESTORS AND GOMR TO RECOVER THEIR INVESTMENT. IN ORDER TO BE PREPARED TO RESPOND CORRECTLY TO ANY SUCH ASSERTIONS, REQUEST EMBASSY SEEK ANSWERS TO FOLLOWING QUESTIONS THROUGH WHATEVER CHANNELS IT CONSIDERS APPROPRIATE.

(A) DOES AUCTION SALE ANNOUNCEMENT REPORTED REF (A) FORECLOSE POSSIBILITY TRUSTEE MIGHT STILL APPROVE LEASE IN LIEU OF AUCTION SALE (AS SUGGESTED BY REPPAS IN REF (B))?

(B) JEFFRIES TOLD DEPTOFF HE UNDERSTOOD LEASE OF ASSETS OF BANKRUPT COMPANY PROHIBITED BY MALAGASY LAW. CAN EMBASSY ASCERTAIN ACCURACY THIS STATEMENT?

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 026409

(C) IF AUCTION IS HELD, WHAT IS LIKELIHOOD BUYER WILL  
APPEAR AND OFFER FLOOR PRICE OR HIGHER?

(D) IF NO ACCEPTABLE PURCHASE OFFER IS MADE, MIGHT  
TRUSTEE ENTERTAIN POSSIBILITY OF LEASE ARRANGEMENT BY  
AGM?

(E) CAN EMBASSY THROUGH LEBEL OR PREFERABLY OTHER  
MALAGASY LAWYER OBTAIN INFORMAL VIEW ON EXTENT TO WHICH  
AGM BANKRUPTCY PROCEEDINGS REFLECT MR LAW AND CUSTOMARY  
PRACTICE? ARE THERE OTHER INSTANCES OF SIZEABLE  
BANKRUPTCIES IN RECENT PAST INVOLVING SUBSTANTIAL PHYSICAL  
ASSETS WHICH HAVE BEEN HANDLED IN DIFFERENT OR SAME  
MANNER? (LATTER POINT WOULD BE USEFUL IN RESPONDING TO  
POSSIBLE ASSERTION THAT AGM PROCEEDING REFLECTED  
DISCRIMINATORY TREATMENT OF AMERICAN INVESTORS.)

2. REPPAS TRIAL DECISION AND OPINION NOW FULLY  
TRANSLATED AND EVALUATION IN PROGRESS. KISSINGER

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 08 FEB 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** garlanwa  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974STATE026409  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** BKHUFFMAN:MMP  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** n/a  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740245/aaaabpxg.tel  
**Line Count:** 80  
**Locator:** TEXT ON-LINE  
**Office:** ORIGIN L  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** (A) TANANARIVE 125  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** garlanwa  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 03 SEP 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <03 SEP 2002 by boyleja>; APPROVED <27 NOV 2002 by garlanwa>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** AGM BANKRUPTCY SALE; REPPAS  
**TAGS:** CASC, MA, (REPPAS)  
**To:** TANANARIVE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005